UNITED STATES OF AMERICA BEFORE THE FEDERAL ENERGY REGULATORY COMMISSION

Colorado River Water Projects Enterprise)	
of the Colorado River Water Conservation Distr	rict)	Project No. 11880-000

FOURTH SEMI-ANNUAL PROGRESS REPORT UNDER ARTICLE 4 OF THE PRELIMINARY PERMIT FOR THE PROPOSED RITSCHARD DAM UNIT WATER POWER PROJECT

Colorado River Water Projects Enterprise of the Colorado River Water Conservation District P.O. Box 1120 201 Centennial Street, Suite 200 Glenwood Springs, CO 81602

May 27, 2003

BEFORE THE UNITED STATES OF AMERICA FEDERAL ENERGY REGULATORY COMMISSION

Project No. 11880-000

Fourth Semi-Annual Month Progress Report Under Article 4 of the Preliminary Permit

- (1) The Colorado River Water Conservation District (River District), acting by and through the Colorado River Water Projects Enterprise, submits the following progress report as required under Article 4 of the Director's order of June 25, 2001, issuing the preliminary permit. This progress report is made in order that the applicant may secure and maintain priority for a license for the project under Part I of the Federal Power Act while obtaining the data and performing the acts required to determine the feasibility of the project and to support an application for a license. The report follows the requirements of Part I of the Federal Power Act and related regulations and Articles 1 through 4, set forth in standard form P-1.
- (2) The location of the proposed project is:

State or Territory: Colorado
County: Grand
Township or Nearby Town: Kremmling

Stream or other body of water: Muddy Creek and Wolford Mountain Reservoir

(3) The exact name, business address, and telephone number of the applicant are:

Colorado River Water Projects Enterprise of the Colorado River Water Conservation District P.O. Box 1120 201 Centennial Street, Suite 200 Glenwood Springs, Colorado 81602

Telephone number 970-945-8522 Fax number 970-945-8799

(4) Progress report:

On February 6, 2001, the River District filed an application for a three-year preliminary permit under Section 4(f) of the Federal Power Act to study the proposed Ritschard Dam Project No. 11880-000. On June 25, 2001, the Director of the Federal Energy Regulatory Commission issued a preliminary permit for the project 95 FERC 62.264)

During the first eighteen months of the permit period, the permittee undertook a preliminary feasibility study regarding the project. The initial feasibility study, performed under contract by the engineering firm Montgomery Watson Harza, evaluated power generation, identified potential power markets, and provided conceptual engineering alternatives and feasibility level cost estimates. The analyses indicate that a hydroelectric unit at the Ritschard Dam is potentially feasible from engineering and economic perspectives. The report indicates that the optimal rated turbine capacity of the unit would be approximately 870 kilowatts. Based on 42 years of simulated reservoir operation, the average annual power generation would be 3,700 kilowatt-hours.

In 2002, the permittee met with State and Federal agencies to describe and discuss the project. The meetings gave the agencies an opportunity to provide early input to the project's planning. Also, the River District contacted several utility companies to gather information on prospective power purchase contracts. The companies have shown considerable interest in the project and requested additional information and further discussions. It appears that there is a market for the power either locally or regionally.

From December 2002 to May 2003 the permittee has been working closely with potential stakeholders in the project. In February 2003 the River District circulated a draft Communications Protocol and information regarding the FERC Alternative Licensing Process (ALP) to the project's stakeholders. The stakeholders' responses indicate that there is a strong consensus that the ALP is appropriate for the Ritschard Dam Unit project. The permittee is currently incorporating stakeholder comments into the Communication Protocol and will submit a request to use the ALP to the Secretary of the Federal Energy Regulatory Commission in June 2003.

Also, the River District is currently in the process of contracting with an environmental consulting firm. The environmental consultant will assist the River District in preparing the Initial Information Package and begin the development application for the project. In the next six months and pending the Commission's approval of the ALP for this project, the River District will begin the public scoping process.

Please contact our project manager, James F. Pearce, at (970) 945-8522, if you require additional information.

Respectfully submitted,

/s/

R. Eric Kuhn, General Manger Colorado River Water Conservation District P.O. Box 1120 Glenwood Springs, CO 81602

May 27, 2003